Treasury Transactions by Cauunerdal Banks In Tripura

2958. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that commercial banks are not interested to take up treasury transactions in three sub-divisions of Tripura;

(b) if so, whether Government would consider the proposal of the State Government to appoint RRB for taking up this function; and

(c) whether RBI propose to issue a license for currency chest in favour of the RRB of these sub-divisions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Reserve Bank of India (RBI) has reported that the Government of Tripura had created two new sub-divisions of Gandacfcerr* and Bianalgarn during the years 1989 and 1995, respectively. The State Government has been pursuing with the commercial banks to open a branch at these centres to take up the sub-treasury transactions. All the scheduled commercial banks have regretted their inability to do so due to the law and order situation and unprofitable economies.

(b) and (c) As per RBI's present policy, the Regional Rural Banks arc not entrusted with Government work and cannot open currency chest. However, RBI has conveyed to the State Government that it is open to the RRBs to enter into agreement with State Governments to transact Government business.

Writing off the Central Loan to North Eastern States

2959. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether the State Governments of North-Eastern Region have requested the Central Government to write off all the outstanding loans till March, 2000; and

(b) if so, the action taken in the matter?